

# Bangladesh Education Sector Review

Report No. 5: Working With Government Agencies in Education

**BEPS**

## Basic Education and Policy Support (BEPS) Activity

CREATIVE ASSOCIATES INTERNATIONAL

*In collaboration with*

CARE, THE GEORGE WASHINGTON UNIVERSITY, AND GROUNDWORK



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**The views expressed in this report are those of the technical advisory team and do not necessarily represent those of the U.S. Agency for International Development (USAID) or any of the organizations associated with the Basic and Education Policy Support (BEPS) Activity.**

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**Report No. 5**

**Working with Government Agencies in Education**

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## Acronyms

ADB	Asian Development Bank
ADP	Annual Development Plan
BRAC	(formerly) Bangladesh Rural Advancement Committee
CAMPE	Campaign for Primary Education
CMES	Center for Mass Education in Science
CPEP	Comprehensive Primary Education Project
DfID	Department for International Development
DNFE	Directorate of Non-formal Education
DPE	Directorate of Primary Education
EU	European Union
ECD	Early Childhood Development
ECNEC	Executive Committee of the National Economic Council
ESTEEM	Effective Schools Through Enhanced Education Management
FSSP	Female Secondary Scholarship Program
GEP	General Education Project
GSS	Gono Shahajjada Sangstha
GTZ	German Technical Assistance
HRD	Human Resources Development
IDA	International Development Agency (World Bank)
IDEAL	Intensive District Approach to Education for All
JICA	Japan International Cooperation Agency
KfW	German Development Bank
NAPE	National Academy for Primary Education
NFE	Nonformal education
NGO	Non-government organization
NORAD	Norwegian Development Agency
PEDP	Primary Education Development Project
PEDPQI	Primary Education Development Project Quality Improvement
PIU	Project Implementation Unit
PLCE	Post Literacy and Continuing Education
PMED	Primary and Mass Education Division
PSPMP	Primary School Performance Monitoring Project
PTI	Primary Teachers Training Institute
RNE	Royal Netherlands Embassy (Dutch)
SDC	Swiss Development Corporation
SIDA	Swedish International Development Agency
SMC	School Management Committee
SPESP	Second Primary Education Sector Project
UCEP	Urban Children's Education Program
UNESCO	United Nations Education, Science, and Cultural Organization
UNFPA	United Nations Fund for Population Assistance
UNICEF	United Nations Children's Fund
URC	Upazila Resource Center
USAID	United States Agency for International Development

## Executive Summary

This report describes how the government works with external donors and lenders and what the key donors and lenders are funding in the basic education sector. The Primary and Mass Education Department (PMED) has separate budgets and administrative procedures for its recurrent and development programs. It relates to external aid agencies in the context of its development program. Primary education projects supported by donors within the development program fall under an umbrella called the Primary Education Development Program (PEDP). (This is also the name of the World Bank-supported project, though, for historical reasons, neither the Bank nor the PMED coordinate other donor projects.)

Development projects have three major sources of funding: (1) funding by government either as the sole source or as counterpart funding; (2) reimbursable loans from agencies such as the World Bank; and (3) direct project assistance (grants) from bilateral agencies such as the British Department for International Development (DFID) and the Swedish International Development Agency (SIDA).

Among the PEDP projects, seven relatively large projects focus on improving the quality of primary education. These are the PEDP of the World Bank, the Second Primary Education Support Project (SPESP) of the Asian Development Bank (ADB), the German-supported Comprehensive Development Project (CPEP), the British-supported ESTEEM project, NORAD's (Norway) Primary Education Development Project Quality Improvement Project (PEDPQI), the IDEAL project of UNICEF, AusAID, World Bank, Swedish International Development Agency (SIDA), ADB, and a Canadian NGO, WUSC; and the ADB's Primary School Performance Monitoring Project (PSPMP). Most of these projects focus on teacher training, management, and community mobilization. Together, they cover the country, though most have limited territory. Their budgets range from \$200 million (PEDP) to \$1.7 million (PSPMP).

Over the past decade, donors have had ups and downs in their relationships with the PMED. The past seven years have seen little coordination by government of donor projects, and cordial but not collaborative relationships among donors. Even so, donors work in coalitions, more so through the Directorate of Nonformal Education DNFE than the Directorate of Primary Education (DPE).

With ADB financial support, the PMED is about to design PEDP 2. Some donors are hoping that this will be a sector-wide program and that all donors will participate in "basket funding." The PMED has not officially declared its position on such a modality. Donors have different attitudes toward this notion, and it remains to be seen whether PEDP 2 is in fact a collaborative venture.

In planning how to work with PMED and other donors, USAID should consider:

- The difficulty in reaching so many schools, teachers, and students with quality improvements, especially through a highly centralized, though weak administrative and

managerial system. These present conditions provide little opportunity to implement systemic change and to sustain any changes that are introduced.

- The overlaps and gaps of programmatic and geographic coverage by donor-supported projects. Because the reform of basic education has been undertaken during the past decade by government and a fairly consistent set of donors, it may be difficult for a donor that has not been engaged in the sector to identify a niche. At the same time, many interventions so far have not been entirely effective, and there is room for new approaches.

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## **I. Introduction**

The education sector is a complexity of projects and activities, among which government agencies are only one set of players.<sup>1</sup> The other key players are the non-governmental organizations (NGOs) and the external funding agencies<sup>2</sup>. Among the agencies, the World Bank (IDA) and the Asian Development Bank (ADB) are the biggest funders and thus have a relatively larger influence on the sector. NGOs are of four types: International NGOs (such as CARE Bangladesh and Save the Children/USA), the larger NGOs (such as BRAC and Proshika), the mid-size, professional NGOs (such as CMES, UCEP), and the 400-plus small NGOs).

Each of these players has direct financial and implementation relationships with other players. Donors support government, and donors support NGOs. Large and International NGOs support small NGOs and implement projects through them. Government contracts with NGOs to implement programs. The character of these relationships ranges from energetic collaboration to hostile resistance and undermining, with everything in between.

Most of these relationships are described in one or more of these reports. In this report, we focus on the relationships between government and external funding agencies, though, in actuality, they should not be extracted from the overall mix of players.

## **II. How Government Manages Donor Projects in Basic Education**

In this section, we describe formal ministry functions and procedures for managing its development projects, many of which receive support from funding agencies.

### **PMED, DPE, and DNFE**

As described in Report No. 1 (the Overview), basic education provided by the government is managed by the Primary and Mass Education Division (PMED). The PMED reports not to the Minister of Education but directly to the Prime Minister, as she is also the Minister for Primary and Mass Education. The division is headed by a secretary, who is assisted by a joint secretary, an advisor to the Prime Minister (the advisor has executive powers), a planning unit, and an administrative staff. Donors have generally communicated directly with the secretary, the joint secretary, and the planning director. The advisor role was initiated by the current Prime Minister, and it is yet unclear how the advisor relates to donors.

The PMED's two wings are the Department of Primary Education (DPE) and the Department of Non-Formal Education (DNFE). In government parlance, the PMED is the "line ministry" and

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<sup>1</sup> This is the fifth of six reports covering various aspects of basic education.

<sup>2</sup> External funding agencies include bilateral donors and multi-lateral lenders (the World Bank's IDA, and the Asian Development Bank—ADB). We shall refer to these collectively as agencies or donors, even though the banks are lenders, not donors.

the wings are the “implementing agencies.” The DPE implements all government primary schools and the teacher-training institutions that support those schools (National Academy for Primary Education--NAPE-- and the Primary Teacher-Training Institutes—PTIs). The DNFE implements all government out-of-school programs, which comprise four literacy projects (NFE 1, NFE 2, NFE 3, NFE 4, and Post-literacy and Continuing Education). All of these except for NFE 3 target youth and adults between the ages of 11 and 45. NFE 3 targets “hard-to-reach” children in urban areas. NFE 1 has ended; Post-literacy is in the early launching phase.

Donor-funded projects that support government programs are, in principle, implemented under the auspices of either the DPE or DNFE, depending upon the target group they serve. In fact, most donor projects are monitored and regulated by the PMED as part of its development program. The PMED exercises firm authority over all basic education programs, delegating very little decision-making power to either its two subordinate wings. The Directors of DPE and DNFE and their staffs have little involvement in donor projects.<sup>3</sup>

### **How the PMED Monitors its Program**

The PMED has two mechanisms for monitoring the progress of its program<sup>4</sup>. These are the regular review processes (monthly and annually) and the work of the relatively new Monitoring and Evaluation Division. Monthly monitoring reports rely entirely on project-generated data, which are not reliable. Data on materials and technical assistance that is funded directly by donors is often not reported and thus not taken into account.

The monthly and annual reviews are primarily of financial data. Only PMED, DPE, and DNFE staff, and the directors of donor-supported projects attend monthly reviews; donor representatives attend the annual review meetings, which are held in the spring. In addition, the two lending institutions have biannual supervision missions for their projects, and the bilateral agencies regularly review their projects.

The Monitoring and Evaluation wing of the DPE was set up under the General Education Project (GEP) in 1991 to help the DPE collect and analyze data for use in making policy decisions but that unit has yet to function effectively. It has produced aggregated data, but with more focus on inputs than output and impacts. Data have not been analyzed or presented for policy decisions.

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<sup>3</sup> The exceptions are NORAD’s PEDPQI project and parts of the IDEAL project, which are partially implemented through the Training Division of DPE.

<sup>4</sup> The information from this section comes from the Draft PEDP Assessment (December 2001).

## **How the PMED Manages Funds<sup>5</sup>**

The major features of the PMED's financial management system are the five-year development plan, the annual development plan and budget, and computerized budgeting and accounting systems that have been introduced as part of a pilot of a government-wide system. The Ministry of Finance works with the Financial Management Unit of the PMED in the use of these tools.<sup>6</sup>

The PMED proposes each year new projects for inclusion in the annual development plan. Development partners (donors) are involved in the project identification process, as they submit project proposals or components of proposals that would be managed by the PMED. Project concept papers that are approved by the PMED go to the Planning Commission and the Executive Committee of the National Economic Council (ECNEC). Following approval by these units, the project is included in the ADP (Annual Development Plan), and a project pro forma is completed and submitted to Ministry of Finance for inclusion in the Annual Development Budget. This process provides control over project design at the line ministries and implementing agencies, while final authority for new projects is vested in Parliament (which approves the Annual Development Budget) through the Planning Commission and the Ministry of Finance. (Projects approved in previous years do not go through this process.)

Development projects have three major sources of funding:

- Domestic funding by the government either as the sole source or as counterpart funding;
- Reimbursable project assistance (loans) from agencies such as the World Bank; and
- Direct project assistance (grants) from bilateral agencies such as British Department for International Development (DFID) and the Swedish International Development Agency (SIDA).

All development projects supported by funding agencies receive counterpart funding from government domestic resources. Rules have been established to ensure that international funds cannot be expended in the absence of counterpart contributions.

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<sup>5</sup> The Draft Assessment of the Primary Education Development Program (PEDP), December 2001, includes a review of the PMED's financial management processes, which we summarize here. We often use language drawn directly from this report, because it provides useful information about working with government agencies. The report offers a recent, external, professional account of how the PMED actually interacts with donor-supported projects. See this document for further details on PMED's and government's financial management procedures.

<sup>6</sup> The Draft PEDP Assessment comments that the FMU was established in PMED under the auspices of the DFID-funded, government-wide Reforms in the Budget and Expenditure Control project. The unit is staffed by one international and two local consultants. The current funding for this Unit is due to expire in June 2002 and there are currently no plans approved for further DFID support. Attempts by PMED to establish additional posts within the department to learn from and takeover the role of the FMU have been rejected by the Budget Wing of the Ministry of Finance.

External aid agencies use a variety of modalities to provide resources, financial and other, to the PMED.

- The World Bank and the Asian Development Bank lend money directly to the central government, and this is managed through the Ministry of Finance and the PMED. The banks establish Project Implementation Units (PIUs) for every project, primarily as a means of monitoring disbursements and expenditures and approving decisions. According to government rules, any project of US\$25million and above must have a PIU. The only exception to this is the NORAD-assisted Primary Education Development Project Quality Improvement (PEDPQI) project, which is implemented by DPE.
- Bilateral agencies make grants rather than loans, and even these use diverse modalities. At one extreme, NORAD, like the banks, gives money to the government, though it approves decisions on how that money is spent. The DPE employs a consultant, using NORAD funds, who informally advises NORAD on approvals of expenditures.
- At the other extreme is DFID, which controls its own budget and provides technical and material assistance through contractors. DFID does not directly finance government programs.
- Other bilateral and multi-lateral agencies use one of these modalities or something similar. GTZ and KFW, the German assistance agencies, use their own staffs to provide technical assistance. The Swiss Cooperation Agency (SDC) works through NGOs in its primary school projects but funds the government directly in its adult literacy project. UNICEF uses several different modalities.

If USAID were to participate in the sector-funding modality, as a financial partner with government and external aid agencies, it would follow the procedures for direct project assistance. Direct project assistance (grants) is paid for directly by bilateral agencies. Normally expenditure on directly funded projects is incurred by project managers contracted to the bilateral agency whose reporting responsibility is to that agency using the procedures that the agency requires. These procedures vary from agency to agency, and multi-funded projects can impose numerous reporting requirements on project managers.

In the IDEAL project, for example, project management is undertaken by UNICEF, which manages funds provided by a number of donors. In the IDEAL project contracts for goods and services are let and serviced directly by UNICEF. Project funds in IDEAL are also applied through direct assistance at the district, upazila and school levels. UNICEF reports project expenditures to the government. In theory each funding agency could demand different reporting formats for each project. Project managers provide reports on project expenditures to the funding agency. However, not all donor-project expenditures are reported to the government and cannot therefore be recorded in the accounts of the government. The lack of information available fails to provide government with the true value of expenditures on government assets and distorts the base for macroeconomic planning.

### **III. PEDP: Donor Projects Serving the Primary and Mass Education Division (PMED)**

In this section we describe the Primary Education Development Program (PEDP), which is the umbrella for all donor-supported development projects within the PMED. Eighteen separate development projects in the PMED are funded by fourteen different agencies. Of those projects ten receive funding from the government plus at least one development partner.

The PEDP may well appear to be a puzzling arrangement—an umbrella over myriad projects that are not formally coordinated. As described in Report No. 1 (Overview), the history of the formation of PEDP explains this anomaly. The PEDP is actually the name of the World Bank's current primary education project, and for historical reasons, this name, for some purposes, subsumes other external agency projects as well. In fact, however, the PEDP does not operate as a management unit beyond that which manages the World Bank project, and it has no forums of government and donors for advising or making decisions or even for regular consideration of issues. Donors attend a regular information-sharing group, but the government has not attended this forum since 1996, when the PEDP replaced the General Education Project<sup>7</sup>.

#### **Projects and the Donors that Support Them**

Thus, the best way to understand the activities of the PEDP and the manner in which donors participate in the PMED is to outline key donor projects. Table 1 presents a matrix of the sub-sectors<sup>8</sup> of the basic education sector on one axis, and the donors and donor coalitions that support projects in each of these sub-sectors on the other axis. The matrix displays the spread of project activities throughout the sub-sector. (Acronyms used in the table are listed at the beginning of this report.)

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<sup>7</sup> See Report No. 1, the Overview, for more details.

<sup>8</sup> There is no standard definition of the sub-sectors of basic education. The one presented is based, in part, on USAID's interests. It is organized (1) by age group (primary age, secondary, pre-primary, youth and adults) and (2) by the formal and nonformal system (primary and secondary schools in the formal system, NGOs and DNFE projects in the nonformal system). Within the formal primary system, it is organized by inputs: curriculum and materials, teachers, construction, management, and community participation.

**Table 1. Basic Education Sub-sectors, Donors, and Projects**

DONORS	DPE schools						NGO schools	DNFE projects		ECD
	Primary					Secondary		Urban children	Adult/ youth literacy	
	Curriculum, materials	Teachers	Construction	Policy & management	Community mobilization					
IDA	PEDP	PEDP	PEDP	PEDP						
UNICEF, AusAID, IDA, SIDA, ADB, WUSC/Canada	IDEAL	IDEAL		IDEAL	IDEAL					
NORAD		PEDPQI		PEDPQI						
DFID		ESTEEM		ESTEEM						
GTZ, KfW	CPEP	CPEP	CPEP		CPEP					
ADB				PSPMP						
ADB	SPESP	SPESP	SPESP	SPESP	SPESP	SPESP				
EU		PROMOTE				PROMOTE				
IDA, NORAD,						FSSP				
DFID						ELTIP				
DFID							various			
DFID, DANIDA, NORAD, SDC							UCEP			
CIDA							ADP			
EC, CIDA, DFID, NOVIB							Proshika			
EC, CIDA, DFID, NOVIB, UNICEF							BRAC			
SDC							CMES			
SDC							CAMPE			
RNE, DFID, CIDA, EC, UNICEF								NFE III		
UNICEF, SIDA, DFID								NFE III		
NORAD, SIDA									NFE II	
IDA, SDC, ADB,									Post-lit, CE	
UNICEF										ECD
JICA	Science ed					Science ed				
UNFPA	Pop Ed					Pop Ed				
UNFPA	Fam. Life Ed.									
UNESCO	EFA-related studies and workshops								Post-Literacy	

Table 1 shows that donors support reform activities in every sub-sector of the basic education sector. Because the current need for improvement in education is in quality, we shall focus attention on that. The donor-supported projects that focus on improving quality are the following:

- PEDP (World Bank): School-cluster-based teacher training; improve curriculum, management training and information systems at central, district, upazila, and school levels;
- SPESP (ADB): School-cluster-based teacher training; improve curriculum, management training and information systems at central, district, upazila, and school levels;
- CPEP (GTZ, KfW): Upazila Resource Centers (URCs), in-service teacher training, teacher learning aids, School Management Committees, link to cluster training and PTI training;
- ESTEEM (DFID): Management (financial, planning, M&E, academic supervision) at all levels;
- PEDPQI (NORAD): HRD plan in DPE; strengthen URCs, PTI curriculum, NAPE, teaching materials;
- IDEAL (UNICEF, et al.): Train teachers in “multiple ways of teaching” and interactive methods, continuous assessment; mobilizes community support, strengthen school and district management;
- PROMOTE (EU): gender-sensitive teaching in secondary schools in rural areas; girl-friendly secondary schools.

Not included in the table are activities of earlier reform projects.<sup>9</sup> The General Education Project, in particular, which took place between 1991 and 1996, revised the primary school curriculum and textbooks and built many schools. Thus, while a current snapshot of development projects may appear to be thin in curriculum and materials development, school construction, and other such inputs, they have already been delivered. It is now a problem of maintaining and improving them, as time demands. ADB is leading the search for a consultant team to design PEDP 2. The design is funded by Japanese Grants to ADB.

### **Summary of Donor Support to Quality Interventions in Government Schools**

In Table 1 and the subsequent paragraphs, we presented an overview of PEDP projects—the donors that support them and their main activities. Here we look again at this support from another angle—the three most prominent components addressing quality in government schools

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<sup>9</sup> Report No. 4 on Teachers describes in more detail how the teacher-related dimensions of these interventions.

and how they are supported by donor projects. Currently, these components are teacher training, management, and community mobilization.

### Teacher Training

While donor and lender support is spread throughout the education sector, the most crowded sub-sector is teacher training. Teacher training projects and activities are described in detail in Report #4 on Teachers. In this report, we summarize a part of that discussion to indicate how donors and the government support teacher training. The funding agencies that support teacher training are these:

- NORAD (through the PEDPQI in human resources development)
- World Bank (through the multi-faceted PEDP)
- The Asian Development Bank (at the secondary level, through SPESP)
- DFID (through the management-focused ESTEEM project)
- UNICEF (through the district-based IDEAL project).

### In-Country Training.

Extensive in-country training is also programmed. The IDEAL project (UNICEF) and others) supports the training of all head teachers, teachers, and School Management Committee (SMC) members in local level and school level planning. The IDEAL project will train all primary school teachers as the project expands from district to district (so far 30 districts have been covered). The ESTEEM project (DFID) trains NAPE (National Academy for Primary Education) and PTI staff in academic supervision, administrative and management skills. The PEDPQI project (NORAD), in addition to the sub-cluster and PTI training for RNGPS teachers, has trained some PTI and NAPE staff and head teachers of Model Schools in computer skills, library management and English language.

### Overseas Training.

Approximately 1,383 person-months (or 115.25 person years) of overseas training are budgeted under the above projects. Donors have some problems finding individuals who have the qualifications and language skills to go overseas for training. Many of those who have returned from overseas training have been rotated out of the DPE, thus negating the benefits to basic education of their training. Though there have been no formal assessments of the impact of overseas training, the general consensus among donors is that, for the reasons just stated, it has not been effective in building the capacity of the DPE.

## Polycymaking, Planning, and Management

Polycymaking . The PMED does not have an effective mechanism for engaging donors in on-going policy dialogue (see Report #1). The Policy Wing, introduced at the urging of donors, has not fulfilled this function. During the era of PEDP 1, donors have leveraged change directly through their projects rather than through dialogue on issues, facts, options, and strategies.

Management. Various donor-supported projects are engaged in improving management throughout the system. The key donors involved are:

- DFID (through the management-focused ESTEEM project)
- NORAD (through the PEDPQI in human resources development)
- UNICEF (through the district-based IDEAL project).
- The Asian Development Bank (through PSPMP)

The ESTEEM project (DFID) focuses on management at the national, district, upazila, and school levels. Management includes financial management, planning, monitoring and evaluation. The IDEAL project focuses on transferring management responsibilities from national and district levels to upazilas and schools.<sup>10</sup> Two major activities are school catchment area mapping and school planning. School planning involves the school and community. The PSPMP project (ADB), which has just been completed, helped the PMED survey primary schools to determine the effects of teaching processes and school governance and management on education quality. These data, should the PMED and DPE choose to use them, are essential for making sound policy decisions and investments.

## Community Mobilization

An important component of the IDEAL project is mobilizing communities to support schools. IDEAL's social mobilization activities range from national-level campaigns to school-level projects. They are aimed at increasing access, enhancing community participation in schools, and promoting child-friendly school environments, especially for girls. Other projects (CPEP, SPESP) have more limited community-mobilization components.

## Youth

Both the ADB and IDA have large projects to support secondary schools; ADB's is multi-faceted, and IDA's provides stipends for girls in Junior Secondary schools. Except for its adult and youth literacy projects through DNFE, which are not really oriented toward youth, and

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<sup>10</sup> As noted above, this decentralization effort must contend with regulations and practices that discourage management at lower levels (see Report #1).

vocational schools, which require completion of lower secondary school, the PMED has no programs for youth.

## ECD

PMED has no formal projects to improve pre-primary education. UNICEF's ECD project works with the Ministry of Women's and Children's Affairs and NGOs.

## Geographic Spread of Donor Support

There are two ways to look at the geographic coverage of donor support.

Horizontally, or in terms of area covered, IDA and ADB have divided the six divisions of the country between them. Thus IDA supports activities in all districts of rural Dhaka, Rajshahi, and Khulna divisions; and ADB supports activities in all districts of Chittagong, Barisal, and Sylhet divisions. (These activities are implemented through the DPE structure; funds are managed by the agencies' PIUs.) DFID's ESTEEM project is nationwide. The IDEAL project started in certain districts and is planned to reach all districts; currently it is operating in 32 of the 47 districts.

The CPEP project, funded and managed by GTZ and KFW, is unique in that its coverage is limited to three districts in the Rajshahi division: Bogra, Dinajpur, and Kurigram. Its technical assistance is thus more concentrated.

Vertically, or in terms of levels of the system, different donors support different levels. Table 3 shows the administrative levels at which donors have activities.

**Table 2. Administrative Levels Within Which Donors have Activities**

Level	Donor	Main activity
DPE/ central	ADB, IDA, NORAD, DFID	Management, MIS, HRD
Division	ADB, IDA	Access, quality
District	UNICEF etc., GTZ/KFW	Teacher training
Upazila	NORAD, UNICEF et al., GTZ/KFW, ADB, IDA	In-service teacher training, URCs
Sub-cluster	(NORAD, ADB and IDA, through DPE)	Sub-cluster in-service teacher training

- At the central level, the PSPMP project operates within the DPE's Monitoring and Evaluation Division. Likewise, NORAD's human capacity development activities (In PEDPQI) are focused in the DPE's Training Division (though they extend to teacher-training institutions). ADB and IDA also build the capacity of central offices and extend to upazila-level education offices for sub-cluster, in-service teacher training.
- ADB and IDA each work within three divisions, thus dividing the territory between them.

- ESTEEM works at all levels of the system, in management and PTI training.
- The IDEAL project is focused at the district level; it includes all administrative offices, schools, teachers, and SMCs within a district.
- The lowest level of direct PEDP support is to the upazila; 481 Upazila Resource Centers are being established to house teacher in-service training and support activities. PEDPQI (NORAD) is supporting 240 of these; IDEAL (UNICEF and others) is supporting 241. CPEP (GTZ/KFW) assisted in the construction 33 URCs in the three districts that they finance. ADB has assisted in the construction of 10, and IDA is constructing over 200 in the divisions covered by its project. Support includes hardware and software; some donors do one or the other; some do both.

### **Levels of Funding**

In 2001, grants and loans comprised 38.7 percent of the PMED development budget.<sup>11</sup> Table 2 displays the level of investment (including government and donor) in each project. The funding levels in this table are often rough calculations.

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<sup>11</sup> Overview of the PEDP, a document for the Annual Review, May 2001.

**Table 3. Funding of PEDP Projects (page 1 of 2)**

	TOTAL	GOB	IDA	ADB	UNICEF	EU	DFID	RNE
*PEDP	\$200 m	\$50 m	\$150 m					
NFE IV	\$185 m	\$185 m						
*SPESP	\$143 m	\$43 m		100 m				
FSSP	\$125 m	\$58.5 m (?)	\$68 m					
NFE II	\$64.8 m	\$28 m						
PL CE	\$64.6 m	\$11.24 m	\$53.32 m					
NFE I	\$49.0 m	\$8 m	\$12 m	\$27 m				
*PEDPQI	\$43.5 m	\$7.7 m						
PROMOTE	\$39.2 m	\$7.83 m				\$31.32 m		
*IDEAL	\$36.6 m	?	\$10 m	\$3 m	\$14.3 m			
*CPEP	\$30.0 m	\$6.4 m						
ECD	\$21.5 m	\$16.71			\$4.8 m			
NFE III	\$17.2 m	\$0.626 m			\$16.6 m		x	x
*ESTEEM	\$2.8 m	\$1.424 m					\$1.424 m	
*PSPMP	\$1.7 m	0.28 m		\$1.45 m				

**NGO projects (not PEDP)**

BRAC	\$105 m				\$ 105 m	x	x	
Proshika	\$7.0 m							
UCEP	\$5.9 m						\$5.938 m	
CAMPE	\$2.75 m							\$1.375 m
CMES	\$1.7 m							

NOTES:

\*These are PEDP projects with significant quality components (though much money goes to construction in some).

Figures are taken from various sources and should be considered as rough.

"x" means the donor shares in the total donor amount indicated somewhere in the row.

**Table 3. Funding of PEDP Projects (page 2 of 2)**

	Norad	SIDA	SDC	CIDA	GTZ	AusAid	DANIDA	NOVIB
PEDP								
NFE IV								
SPESP								
FSSP	\$16.5 m							
NFE II	\$18.5 m	\$18.5 m						
PL CE			\$7 m					
NFE I			\$2 m					
PEDPQI	\$35.7 m							
PROMOTE								
IDEAL		\$6 m				\$4.9 m		
CPEP					23.6 m			
ECD								
NFE III		x						
ESTEEM								
PSPMP								

**NGO projects (not PEDP)**

BRAC				x				x
Proshika								
UCEP	x		x				x	
CAMPE			1.375 m					
CMES			1450					

Table 3 shows that the two projects funded by the World Bank (IDA) and the ADB have the largest budgets (\$200 million and \$143 million respectively). PEDPQI, IDEAL, and CPEP projects are funded at a lower level (\$43.5 million, \$36.6 million, and \$24 million respectively). The ESTEEM and PSPMP projects are the smallest (\$2.8 million and \$1.7 million respectively).

Table 3 also shows that Bangladesh is investing an impressive amount in adult literacy as well as in primary education. The total budget for the four NFE projects plus the Post-Literacy project (PL CE) is \$380.6 million. The total amount for the seven primary education projects with significant quality (and construction) components is \$451.6 million. Looking at government funding of these projects, we see that government actually contributes more to NFE than to primary education. It funds the seven primary education projects at a level of \$102.4 million, while the NFE projects receive \$121 million of its own funds. Because the NFE projects are literacy campaigns, they are not likely to be renewed, once the campaign—which is a one-time course in basic literacy—has ended. The recently initiated Post-Literacy Project, however, indicates the government's interest in continuing to invest in adult literacy.

Finally, the examples in Table 3 of NGO primary education projects that are funded shows that these five of the larger projects BRAC, Proshika, UCEP, CAMPE, CMES) receive a total of

roughly \$130 million, about 30 percent of which goes to government primary education projects. (This is not the entire amount given by donors to NGOs, for primary education but only an indicative figure.)

#### **IV. How Do Donors and Government Relate to Each Other Informally?**

We have described the formal mechanisms through which government officials relate to donor officials in PMED and PEDP. In this section we add information about other, more informal characteristics of government and donor interaction.

##### **How Does the PMED Relate to Donors?**

In Report No. 1 the history of basic education reforms is outlined, beginning with the IDA-supported General Education Project in 1992. This was the first large-scale donor-supported project of the PMED. During its five-year period, relations between the PMED, the World Bank, the ADB, and bilateral donors who supported basic education were relatively smooth and productive.<sup>12</sup> In 1996, the World Bank, wishing to change its funding modality from project support to sector support, attempted to persuade the PMED and its development partners to adopt this new modality. As the World Bank envisioned it, sector support would have all donors putting their funds directly into central government coffers, to be managed through Ministry of Finance and PMED channels. Government and donors would agree upon sector-wide goals and indicators of progress, create a single monitoring system, and use common reporting and decision-making mechanisms. Arguing that they did not fully understand this modality and that they could not manage such a large amount of funding through government channels, the PMED objected to this change. Other donors were also not persuaded of the value of the change, and they resisted as well.

This history explains a large part of the poor communications in 2002 between PMED and donors, as well as among donors. Following from the disagreements over how to structure funding for GEP 2, the general attitude of cooperation among government and donors broke down. The PMED pulled out of regular monthly meetings with donors for project oversight. While these meetings continued among donors, for the sake of ongoing communication, they were undermined by disappointment and distrust. GEP 2 was renamed the Primary Education and Development Project (PEDP).

##### **How Do Donors Relate To Each Other?**

In the intervening years, most players in the bilateral agencies have moved on and been replaced. But the trust among donors is only slowly rebuilding. Donors form coalitions in support of DNFE projects. NFE I was financed largely by the two banks and SDC; NFE II by SIDA and

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<sup>12</sup> See Upali Sedere, Rethinking Educational Aid: Sector Support Approach to Financing Basic Education: Lessons from Bangladesh (December 2000). *Prospects*, XXX (4) for a fuller story of PMED-donor relations during and after the GEP.

NORAD, NFE III by UNICEF and others. The most recent DNFE project, Post Literacy and Continuing Education, places an IDA-led coalition in some districts and an ADB-led coalition in the other districts. Donor coalitions also support NGOs in primary education, especially BRAC (see Table 3). This does not please the PMED, which has had a difficult relationship with NGOs in its DNFE projects, and which would rather see external funds coming into its own program rather than going to NGOs.

### **What Do Donors Anticipate in PEDP 2?**

Although the personnel of external agencies experience the usual rotation (in most cases), the institutional relations among donors and government seem stable. That is, each donor has its mandate to set goals, disburse funds, and show progress and achievements. Each has found a way to work with or around government to do this, and each knows what it can expect of the government and other donors. These expectations are limited.

This may change soon, as PEDP 2 goes through the design process. Donors appear to have differing attitudes toward PEDP 2. Those who seem to be committed to sector-wide programming include the two banks (ADB and IDA) and the so-called “like-minded” donors: Royal Netherlands Embassy, DFID, EC, NORAD, and GTZ/KFD. UNICEF is also said to be ready to participate. SIDA is waiting to see how the design develops. SDC (Switzerland) will continue to work through NGOs in primary and youth education; it is not considering a role in PEDP 2. The PMED has not yet stated its interest in sector-wide programming.

Donors now have the opportunity and structure—the design process—to work with each other and government in conceiving a program that incorporates their resources. PEDP 2 may open the door for greater risk, or it may turn out to look like PEDP 1.

## **V. Key Considerations**

What are the fundamental processes of improving basic education through the government system? What must donors consider when they devise a strategy to effect systemic change? To answer these questions, we have talked with stakeholders and read current relevant documents produced by the PMED and other organizations in Bangladesh (see the reference list in Report #1, the Overview). One of the most useful documents is the Draft PEDP Assessment (December 2001), which reviews the program from a systemic perspective, looking at the aims, achievements, and challenges in each sub-system. While the Assessment is weakened by not linking achievements and challenges to the particular projects that constitute the PMED, it does provide a useful account of the status of interventions, most of which are supported by donors.

In this section, we refer to the draft Assessment where it confirms our own conclusions about the underlying considerations for donors in working with the PMED.

## **Reaching Schools and Teachers Through Systemic Change**

In its summary section, the Draft PEDP Assessment offers the following “lessons learned” about quality in PMED: “PEDP suggests the possibility that quality-improvement inputs...will not be fully effective until teachers have opportunities to apply them in their classes.” Yet, the report continues, “classroom practice is resistant to change.” Resistance comes not only from lack of training but also from the “perceived risk attached to innovation and creativity.” Teachers, head teachers, and upazila staff are “so aware of the professional risk of innovation [that] they will maintain the status quo.” In other words, there are many quality-improvement measures introduced into the system, but not all teachers have learned about them. What is worse, even those teachers—and their supervisors—who have learned how to improve quality are unlikely to risk changing practices.

These lessons have two important implications for donors planning their investments in the government primary sector. First, the DPE manages, by any count, a huge number of schools. The rational way to improve those schools is through systemic reforms that flow through the hierarchy of management and supervision. Even though PMED development projects have initiated the systemic reforms needed to improve education quality, those reforms have not reached all 127,393 teachers or 37,704 head teachers.

Second, reaching these teachers and head teachers does not mean a half-day workshop introducing new ideas or materials. Because teachers and their superiors are reluctant to change, they require ongoing support, some of which should be in the classroom or close to the classroom. Unfortunately, teachers suffer both from insufficient support and—what is of more concern—from a system that denies them freedom to innovate without fear of punishment.

## **Coherence and Coordination**

Because the flow of inputs through PEDP is not actively managed, project activities are not well coordinated. This raises three problems. First, those teachers and students who “benefit” from overlapping project services have much demanded of their time and effort to learn new ways of teaching and learning. Second, many teachers and students are not reached at all, or at least relatively seldom. Third, because different players in the system are hit with different pieces of reform efforts, they do not often see the virtue of the reform or receive other pieces needed to support what they do get. The PEDP Assessment says the program is “essentially input-driven” and that beneficiaries are “driven by project demands.”

On the other hand (we would argue), the dearth of innovation and resources in many Bangladesh schools makes it unlikely that any will experience an embarrassment of riches.

## **Introducing and Sustaining Change**

Failing to infuse the system with systemic changes managed at top levels in line with government goals and policies, many PEDP activities are implemented—that is, introduced, supervised, and managed—at lower levels of the system, including widespread introduction of

innovations at Upazila Resource Centers and PTIs. The Assessment report comments that “there are positive lessons to be drawn from PEDP’s attempts to implement according to the line structure of PMED and DPE. The greatest gains have accrued from the proximity of PIUs to DPE officers” and from frequent contact between technical assistants and field staff.

Regardless of strategic and serendipitous successes at making change through direct implementation at lower levels of the system, if the PMED is to sustain its reforms, it must have a cadre of qualified professionals to do so. The Training Division of the DPE has an approved Human Capacity Development Plan<sup>13</sup> for training and promoting professionals. The PEDP Assessment, however, casts a discouraging word on the likelihood of improving capacity.

“The constraints of the staff deployment rules of the Civil Service Commission...effectively prevents capacity building...within key institutions such as DPE, NAPE and NCTB. If these rules and practices are immutable, as we have been informed, then a future program should avoid the mistake of attempting to build critical technical and professional capacity within those institutions.”

The Human Resources Development (HRD) Plan would change these rules and practices. It is too soon to tell whether the DPE will succeed in instituting its HRD Plan. With encouragement to do so, the DPE could open the door much wider to effective and sustained change.

## **VI. Summary**

The PMED has separate budgets and administrative procedures for its recurrent and development programs. It relates to external aid agencies in the context of its development program. Primary education projects supported by donors within the development program fall under an umbrella called the Primary Education Development Program (PEDP). (This is also the name of the World Bank-supported project, though, for historical reasons, neither the Bank nor the PMED coordinate other donor projects.)

Development projects have three major sources of funding: (1) domestic funding by government either as the sole source or as counterpart funding; (2) reimbursable project assistance (loans) from agencies such as the World Bank; and (3) direct project assistance (grants) from bilateral agencies such as DFID and SIDA.

Among the PEDP projects, seven relatively large projects focus on improving the quality of primary education. These are the PEDP (World Bank), SPESP (ADB), CPEP (German support), ESTEEM (DFID), PEDPQI (NORAD), IDEAL (UNICEF, AusAID, IDA, SIDA, ADB, WUSC/Canada), and PSPMP (ADB). Most of these projects focus on teacher training, management, and community mobilization. Together, they cover the country, though most have limited territory. Their budgets range from \$200 million (PEDP) to \$1.7 million (PSPMP).

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<sup>13</sup> *Institutional Capacity Building through Human Resource Development for Quality Improvement* (DPE Training Division), December 2000.

Over the past decade, donors have had ups and downs in their relationships with the PMED. The past seven years have seen little coordination by government of donor projects, and cordial but not collaborative relationships among donors. Even so, donors work in coalitions to support government projects, more so through the DNFE (non-formal education) than the DPE (primary education).

With ADB financial support, the PMED is about to design PEDP 2. Some donors are hoping that this will be a sector-wide program and that all donors will participate in “basket funding.” The PMED has not officially declared its position on such a modality. Donors have different attitudes toward this notion, and it remains to be seen whether PEDP 2 is in fact a collaborative venture.

In planning how to work with PMED and other donors, USAID should consider:

- The difficulty in reaching so many schools, teachers, and students with quality improvements, especially through a highly centralized, though weak administrative and managerial system. These present conditions provide little opportunity to implement systemic change and to sustain any changes that are introduced.
- The overlaps and gaps of programmatic and geographic coverage by donor-supported projects. Because the reform of basic education has been undertaken during the past decade by government and a fairly consistent set of donors, it may be difficult for a donor that has not been engaged in the sector to identify a niche. At the same time, many interventions so far have not been entirely effective, and there is room for new approaches.

## References

Draft *PEDP Assessment* (December 2001), PMED.

Overview of the PEDP, a document for the Annual Review (May 2001), PMED.

Upali Sedere, Rethinking Educational Aid: Sector Support Approach to Financing Basic Education: Lessons from Bangladesh (December 2000). *Prospects*, XXX (4) for a fuller story of PMED-donor relations during and after the GEP.

*Institutional Capacity Building Through Human Resource Development for Quality Improvement* (December 2000), DPE Training Division).